

Program A: State Aid

Program Authorization: Statutes Itemized Below; R.S. 11:101-103

PROGRAM DESCRIPTION

This state retirement system receives state aid for the following purposes:

1. Supplemental retiree payments provided by the following various legislative actions:

LEGISLATIVE ACTION	FISCAL YEAR 2001
R.S. 17:721-730 Supplemental Benefits for approximately 36 teachers under the provisions of Act 228 of 1944	\$5,400
R.S. 17:719.1-.5 Supplemental Allowance for approximately 145 teachers under the provisions of Act 27 of 1957 as amended by Act 320 of 1960.	\$31,000
R.S. 17:720.1-.5 Supplemental Allowance for approximately 317 teachers receiving benefits under the provisions of Act 440 of 1960.	\$43,600
R.S. 17:711-717 Supplemental Allowance for approximately 43 teachers receiving benefits under Act 568 of 1952.	\$5,400
R.S. 11:881 Supplemental Benefits for LSU – Cooperative Education retirees under the provisions of Act 74 of 1991 as amended by Act 676 of 1995	<u>\$1,021,262</u>
TOTAL	\$1,106,662

2. On January 1, 1979, all LSU employees became members of either Teachers' Retirement System or Louisiana State Employees Retirement System as provided by statute. The unfunded liability for service credit earned prior to July 1, 1971 (the date upon which the funded LSU Retirement System was established) remains a liability of the Board of Supervisors of LSU and Agricultural and Mechanical College. This program provides funding to pay retirement benefits to those: (1) former employees currently retired under the University Retirement Plan (unfunded); (2) former employees currently retired under the LSU Funded Retirement System having credited service prior to July 1, 1971, and who became members of the Teachers' Retirement System effective January 1, 1979; and (3) employees having credited service prior to July 1, 1971, retiring during Fiscal Year 2001 under the Teachers' Retirement System.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1998-1999	ACT 10 1999- 2000	EXISTING 1999- 2000	CONTINUATION 2000 - 2001	RECOMMENDED 2000 - 2001	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$5,488,751	\$5,844,576	\$5,844,576	\$5,844,576	\$5,976,573	\$131,997
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	0	0	0	0	0	0
Statutory Dedications	0	0	0	0	0	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	<u><u>\$5,488,751</u></u>	<u><u>\$5,844,576</u></u>	<u><u>\$5,844,576</u></u>	<u><u>\$5,844,576</u></u>	<u><u>\$5,976,573</u></u>	<u><u>\$131,997</u></u>
EXPENDITURES & REQUEST:						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	0	0	0	0	0	0
Related Benefits	0	0	0	0	0	0
Total Operating Expenses	0	0	0	0	0	0
Professional Services	0	0	0	0	0	0
Total Other Charges	5,488,751	5,844,576	5,844,576	5,844,576	5,976,573	131,997
Total Acq. & Major Repairs	0	0	0	0	0	0
TOTAL EXPENDITURES AND REQUEST	<u><u>\$5,488,751</u></u>	<u><u>\$5,844,576</u></u>	<u><u>\$5,844,576</u></u>	<u><u>\$5,844,576</u></u>	<u><u>\$5,976,573</u></u>	<u><u>\$131,997</u></u>
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
TOTAL	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

SOURCE OF FUNDING

This program is funded from State General Fund direct.

ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$5,844,576	\$5,844,576	0	ACT 10 FISCAL YEAR 1999-2000
			BA-7 TRANSACTIONS:
\$0	\$0	0	None
\$5,844,576	\$5,844,576	0	EXISTING OPERATING BUDGET – December 3, 1999
\$131,997	\$131,997	0	Other Adjustments - adjustment to reflect official estimate approved by the Public Retirement Systems' Actuarial Committee
\$5,976,573	\$5,976,573	0	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$5,976,573	\$5,976,573	0	BASE EXECUTIVE BUDGET FISCAL YEAR 2000-2001
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$5,976,573	\$5,976,573	0	GRAND TOTAL RECOMMENDED

The total means of financing for this program is recommended at 102.3% of the existing operating budget. It represents 96.8% of the total request (\$6,173,476) for this program. The recommended funding level reflects the FY'01 funding level set by the Public Retirement Systems' Actuarial Committee at its January 14, 2000 meeting. The difference between total recommended and total request is based on timing of payment for this liability - total recommended assumes the payment will be made at the beginning of the fiscal year, total request assumes the payment will be made at the middle of the fiscal year. The difference reflects interest savings resulting from the accelerated timing.

PROFESSIONAL SERVICES

This program does not have funding for Professional Services for Fiscal Year 2000-2001.

OTHER CHARGES

\$5,976,573 Teachers' Retirement System - LSU unfunded accrued liability

\$5,976,573 TOTAL OTHER CHARGES

ACQUISITIONS AND MAJOR REPAIRS

This program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2000-2001